

# Inmate Medical Benefit Plan Document

**PLAN SPONSOR:** Lake County

**EFFECTIVE DATE:** October 1, 2011

## **DEFINITIONS:**

- A. AVERAGE DAILY MAXIMUM (ADM) means the maximum allowable amount on a per day basis shown in the Schedule of Insurance.
- B. EDUCATIONAL OR REHABILITATIVE CARE means care for restoration (by education or training) of one's ability to function in a normal or near normal manner following any illness or injury. This type of care includes, but is not limited to, physical therapy, occupational therapy, and speech therapy.
- C. EXPERIMENTAL PROCEDURE means any medical procedure, equipment, treatment or course of treatment, or drugs or medicines that are: (a) limited to research; (b) not proven in an objective manner to have therapeutic value or benefit; (c) restricted to use by medical facilities capable of carrying out scientific studies; (d) of questionable medical effectiveness; or (e) would be considered inappropriate medical treatment. To determine, in its sole discretion, whether a procedure is experimental, the Plan will consider, among other things, commissioned studies, opinions and references to or by the American Medical Association, the Food and Drug Administration, the Department of Health and Human Services, the National Institute of Health, the Council of Medical Specialty Societies and any other association or program or agency that has the authority to review or regulate medical testing or treatment.
- D. HOSPITAL means an acute care facility which meets all of the following criteria:
1. such hospital is not located at a jail, prison, correctional institution, house of correction, or similar facility or upon the grounds or premises of such facility;
  2. operates as a hospital pursuant to applicable law;
  3. operates primarily for the reception, care, and treatment of sick or injured persons who are not sick or injured "Inmates";
  4. provides 24-hour nursing service by "Registered Nurses" on duty or on call;
  5. has a staff of one or more "Physicians" at all times;
  6. provides organized facilities and equipment for diagnosis and treatment of acute medical, surgical and psychiatric ward conditions on premises; and
  7. is not primarily a psychiatric hospital, long-term care facility; extended care facility; nursing rest or custodial care or convalescent home; a place for the aged, drug addicts, alcoholics or runaways; or similar establishments.
- E. ILLNESS means a sickness or disease. "Illness" does not include learning disabilities, attitudinal disorders, or disciplinary problems.

- F. INJURY means bodily injury resulting from an accidental, unforeseen event. For purposes of this Plan Document, an attempted suicide shall be deemed to be an accidental, unforeseen event
- G. INMATE means a person(s) arrested by a designated licensed authority or in the care, custody and control of the "Plan Sponsor". Such persons (i) will remain "Inmates" up until the date of discharge from incarceration as designated by the governing body or judicial entity that sentenced such "Inmate" or any date earlier as deemed appropriate by the same governing body; or a judicial entity with lawful jurisdiction; and will cease to be "Inmates" as of the date of discharge from incarceration, even if such date of discharge occurs while such "Inmate" is hospitalized.
- H. INPATIENT means an "Inmate" who meets all of the following criteria:
1. such "Inmate" is admitted as an inpatient to the "Hospital"; or is being held for observation and or testing at a hospital facility.
  2. such "Inmate" incurs expenses for room and board that are charged to the "Named Insured" or the lawfully appointed designee of the Plan Sponsor.
- I. MEDICALLY NECESSARY means necessary and appropriate for the diagnosis or treatment of an "Illness" or "Injury" based on generally accepted current medical practice. A service, medicine or supply will not be considered "Medically Necessary" if it:
1. is provided only as a convenience to the "Inmate";
  2. is not appropriate for the "Inmate's" diagnosis or symptoms; or
  3. exceeds (in scope, duration or intensity) that level of care, which is needed to provide safe, adequate and appropriate diagnosis or treatment.
- J. MENTAL OR NERVOUS DISORDER means a mental or emotional disease or disorder that is listed in the current edition of the Diagnostic and Statistical manual for Mental Disorders of the American Psychiatric Association and denotes the following:
1. a disease of the brain with predominant behavioral symptoms;
  2. a disease of the mind or personality, evidenced by abnormal behavior; or
  3. a disorder of conduct evidenced by socially deviant behavior.
- K. ON SITE CLINIC means a clinic or medical facility providing any kind of healthcare, psychological, nutritional, or psychiatric services located at a jail, prison, correctional institution, house of correction, or similar facility or upon the grounds or premises of such facility.
- L. ORGAN TRANSPLANT PROCEDURES means any transplant procedure including, but not limited to, kidney, cornea, heart, lung, heart-lung, liver, pancreas and bone marrow transplants.

- M. **OUTPATIENT SURGICAL CENTER** means any outpatient same-day surgery center which meets both of the following criteria:
1. has facilities that are operated primarily for the purpose of performing surgical procedures and is licensed by the State in which it resides.
  2. such center is not located at a jail, prison, correctional institution, house of correction, or similar facility or upon the grounds or premises of such facility.
- N. **PHYSICIAN** means a person performing services within the scope of his or her license, who is a duly licensed: (1) doctor of medicine (MD), (2) doctor of osteopathy (DO), or physician assistant (PA).
- O. **PLAN COVERAGE PERIOD** means a 12 month period commencing on the Effective Date shown above or such shorter period of time if this plan is terminated earlier.
- P. **PLAN ADMINISTRATOR** means the Plan Sponsor who shall undertake the administration of claims or a Third Party Administrator hired by the Plan Sponsor to perform the said duties. The Administrator shall:
1. supervise the administration and adjustment of all claims and verify the accuracy and computation of all claims,
  2. maintain accurate records of all claims payments,
  3. provide case management to appropriately manage the care of all "Hospital Inpatient Services".
- Q. **REASONABLE AND CUSTOMARY** means the usual charge made by a group, entity or person who renders or furnishes similar services, treatments or supplies; provided the charge is not in excess of the general level of charges made by others who render or furnish the same or similar services, treatments or supplies to persons: (1) who reside in the same geographical area (as determined by the Center for Medicare and Medicaid ("CMS") Guidelines); and (2) whose "Illness" or "Injury" is comparable in nature and severity.
- In determining whether a charge is reasonable, one or more of the following factors may be considered:
1. the level of skill, extent of training and experience required to perform the procedure or service;
  2. the length of time required to perform the procedure or service as compared to the length of time required to perform other similar services;
  3. the severity of the nature or "Illness" or "Injury" being treated; the amount charged for the same or comparable services, medicines or supplies in other parts of the country.
  4. the cost to the provider of providing the service, medicine, or supply;
- R. **REGISTERED NURSE** means a graduate nurse who has been registered or licensed to practice by a State Board of Nurse Examiners or other state authority, and who is legally entitled to place the letters "R.N." after his/her name.



S. **SUBSTANCE ABUSE** means alcohol, drug or chemical abuse, overuse or dependency.

T. **SURGERY** means:

1. an invasive diagnostic procedure performed by a "Physician"; or
2. the treatment of "Illness" by manual or instrumental operations performed by a "Physician" while the patient is under general or local anesthesia.

**PLAN BENEFIT DESCRIPTION:**

The Plan covers the following Allowable Medical Expenses incurred by an "Inmate" for the treatment of an "Injury" or "Illness" during the Plan Coverage Period. Such charges are covered at the Plan Benefit Coinsurance and subject to:

- the Limitations shown in the Schedule of Benefits;
- the Exclusions; and
- all other terms and conditions of the Plan.

**SCHEDULE OF BENEFITS:**

Plan Benefit Coinsurance:	100% of "Allowable Medical Expenses"
Inpatient Hospital Services:	Limited to the lesser of the amount paid or an "Average Daily Maximum" (ADM) per admission of \$12,000 for the first three days and \$8,000 thereafter.
Outpatient Surgical Services:	Limited to \$24,000 per outpatient surgical visit.

**ALLOWABLE MEDICAL EXPENSES:**

**Inpatient Hospital Services:**

The following services provided and billed by a "Hospital" while the "Inmate" is an "Inpatient". All services and supplies must be administered by or under the direction of a "Physician".

- A. Emergency Room Services and Ambulance Services as long as the "Inmate" is admitted to the "Hospital" on an "Inpatient" basis for further services and or treatment within 24 hours.
- B. The use of any type of room and board; operating, treatment, recovery and daily room and board.
- C. services and supplies that are routinely provided by the "hospital" to "inpatients."
- D. Supplies including but not limited to:
  - Dressings
  - Sutures
  - Casts
  - Other supplies which are deemed "medically necessary."

- E. Diagnostic Testing including but not limited to:
- Radiological
  - Ultrasonographic
  - Laboratory
  - Radiation Therapy or treatment
- (Psychometric behavioral and educational testing is not included.)
- F. Other Charges:
- Oxygen and other gases and their administration thereof
  - Anesthetics and their administration thereof
- G. Hemodialysis (services and charges by the "hospital") as long as it is done on an "inpatient" basis.
- H. Processing and administration of blood or administration of blood components

**Outpatient Surgical Services:**

Services provided and billed by a "Hospital" or an "Outpatient Surgical Center" for "Surgery". The "Inmate" must be discharged within 24 hours of admission. All services and supplies must be administered by or under the direction of a "Physician".

**EXCLUSIONS:**

- A. Any expenses which are not "Medically Necessary".
- B. Any expenses in excess of the "Reasonable and Customary" charge.
- C. Any expenses which were incurred prior to the Effective Date of the Plan.
- D. Consulting Fees.
- E. Expenses which are covered, recoverable, or attributable to, any other medical or hospitalization benefit policy or insurance.
- F. Dental, Vision or hearing services unless the services are the direct result of an "Injury", or "Illness".
- G. Services that do not qualify as "Hospital Inpatient Services" or "Outpatient Surgical Services", including, but not limited to:
1. "Physician" office visits
  2. Services rendered at the site of the emergency
  3. Healthcare services or medicine administered or provided at a jail or correctional facility
  4. Prescription drugs provided to an "inmate" not on an "inpatient" or "surgical outpatient" basis.
- H. "On site Clinic" services expenses.
- I. "Experimental Procedures", drugs, or research studies, or any services or supplies not considered legal in the United States.

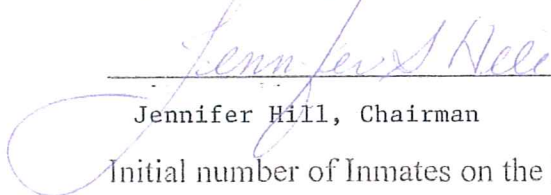
- J. "Organ Transplant Procedures" or any organ donations.
- K. "Mental or Nervous Disorders", rehabilitation treatment.
- L. "Substance Abuse" expenses, programs for the rehabilitation treatment thereof.
- M. Dependent care and any related expenses.
- N. Any expenses related to or from War, whether declared or undeclared, hostilities, invasion or civil war.
- O. Any expenses resulting from and "injury" or "illness" that is a direct result of a nuclear or radioactive accident.
- P. Any expenses which are incurred after the "inmate" is released from custody or control from the correctional authorities.
- Q. "Expenses for, in connection with, or arising out of providing security or guarding of any "inmate" while such "inmate" is an "inpatient" in a "hospital" or such "inmate" is receiving "outpatient surgical services". "Injuries" sustained by the "inmate" as a direct result of the "inmate" needing to be restrained or controlled will be considered covered expenses so long as it can be shown that only reasonable force was exercised by law enforcement personnel.
- R. Any custodial care, "Educational or Rehabilitative Care" or nursing services expenses while primarily confined to receive such services.
- S. Any expenses that result from services solely for cosmetic or aesthetic purposes.
- T. Expenses for vocational or recreational therapy or vocational rehabilitation.
- U. Expenses for preventative care, including routine physical examinations, premarital examinations and educational programs.
- V. The following expenses for conception and childbirth:
  - Any drug, treatment or procedure that either promotes or prevents conception or childbirth
  - Artificial insemination, treatment of infertility, impotency and sterilization
  - Abortion (unless the life of the mother would be endangered if the fetus was carried to term)
  - Care of newborn infants.

Allowable Medical Expenses related to complications of pregnancy are covered.
- W. The following cosmetic, weight loss or body transforming services:
  - Weight modification, surgery for obesity
  - Wiring of teeth, Gastric bypass, lap band or any related surgery
  - Breast augmentation, reduction and sex/gender changes
- X. Marriage, Family or Child Counseling.
- Y. Any payment of, or because of punitive or exemplary charges.

- Z. If this plan is new to the "Plan Sponsor", expenses for an "illness" of an "inmate" who is hospitalized on the effective date or within 72 hours after the effective date of this plan. This would not apply to a new inmate arriving during the 72 hour period.

Plan Sponsor      Lake County

Plan Document Reviewed and Approved by:

  
\_\_\_\_\_  
Jennifer Hill, Chairman

9-20-11  
Date

Initial number of Inmates on the Effective Date: 1000



## INMATE MEDICAL INSURANCE APPLICATION

Name of prospective insured: LAKE COUNTY

Name of Governmental Facility: LAKE COUNTY SHERIFF OFFICE

Contact Person: \_\_\_\_\_

(Street) Address: 551 WEST MAIN STREET, TAVARES, FL 32778

Telephone Number: 352 7424054 Fax Number: 352 7424039

Email Address: \_\_\_\_\_ Tax ID # \_\_\_\_\_

Average Inmate daily population (Include those housed at other facilities and for whom you are responsible; Exclude inmates you are housing for others and for whom you are not responsible):

Inmate; Average Daily Population: 1000

Maximum County Jail Capacity: \_\_\_\_\_ Average Length of Detention: \_\_\_\_\_

Estimated percentage of Inmates kept under 30 days: \_\_\_\_\_  
30 days to 6 months: \_\_\_\_\_, 6 months to 1 year: \_\_\_\_\_, over 1 year: \_\_\_\_\_

Do you contract with a Correctional Healthcare Provider? ☐ Yes ☒ No  
If yes, who? \_\_\_\_\_

Do you have a discount agreement in place with the local Hospitals and Doctors?  
☒ Yes ☐ No What %: 45% OFF U+C CHARGES

Do you have case management staff to assure proper monitoring of a Hospital stay?  
☒ Yes ☐ No

Do you have an on premises infirmary? ☒ Yes ☐ No

What Hospital is the primary caregiver? FLORIDA HOSPITAL WATERMAN  
For Profit ☐ Not for Profit ☒

It is presumed that a large percentage of inmates are most likely indigent and eligible for Medicaid. In your negotiations with the healthcare providers, you should attempt to negotiate a reimbursement agreement under Medicaid or Medicare valuations. In the majority of cases the County Jails medical services volume of Inpatient and Outpatient Surgical Services is an insignificant financial impact to the providers' bottom line, but it definitely has an impact to the Counties bottom line, even with a discount off the billed amounts. A Medicaid or Medicare reimbursement would be reasonable and fair for this type of population.



Hunt Insurance Group, LLC  
Willis North America  
3606 MacIay Boulevard South  
Tallahassee, FL 32312  
(800) 763-4868 • (850) 385-2124 Fax  
[www.inmatemedicalinsurance.com](http://www.inmatemedicalinsurance.com)



## INMATE MEDICAL APPLICATION – PAGE 2

### OFF-SITE — Inpatient Hospital, Outpatient Surgical Procedures and Physicians Services Claims

Total of all claims when combined which exceed \$10,000 per inmate that have occurred in the past four years and listed by year. Please list the Names (or member #), and "Paid Claims Amounts" and "Pending Payments Amounts" for the following individuals.

Year	Inmate	Diagnosis	Paid Claims	Pending Payment
2011	1. _____	_____	_____	_____
	2. _____	_____	_____	_____
	3. _____	_____	_____	_____
2010	1. _____	_____	_____	_____
	2. _____	_____	_____	_____
	3. _____	_____	_____	_____
2009	1. _____	_____	_____	_____
	2. _____	_____	_____	_____
	3. _____	_____	_____	_____
2008	1. _____	_____	_____	_____
	2. _____	_____	_____	_____
	3. _____	_____	_____	_____

(If more lines are needed please add additional document).

Are any of these inmates currently in your Care, Custody or Control? ☐ Yes ☐ No

If yes, current prognosis: \_\_\_\_\_

Is there anyone currently Off-Site — Inpatient at this time? ☐ Yes ☐ No

Name: \_\_\_\_\_

Diagnosis: \_\_\_\_\_ Prognosis: \_\_\_\_\_

Name: \_\_\_\_\_

Diagnosis: \_\_\_\_\_ Prognosis: \_\_\_\_\_

Name: \_\_\_\_\_

Diagnosis: \_\_\_\_\_ Prognosis: \_\_\_\_\_

Date: 9/26/11 Signature: Jennifer Steen Title: Chair

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND [NY SUBSTANTIAL] CIVIL PENALTIES.

(Not applicable in CO, HI, NE, OH, OK, OR, or VT, in DC, LA, ME, TN, and VA, insurance benefits may also be denied)



Hunt Insurance Group, LLC  
Willis North America  
3606 Madley Boulevard South  
Tallahassee, FL 32312  
(800) 763 4869 • (850) 385 2124 Fax  
[www.inmatemedicalinsurance.com](http://www.inmatemedicalinsurance.com)

## Subsequent Policy Period Offer

Health

Employer: LAKE COUNTY  
Effective Date: OCTOBER 01, 2011  
Stop Loss Carrier: UNIMERICA INSURANCE COMPANY  
Life Carrier:  
Producer: DAVID DUNBAR  
Underwriter: ZELLERS, NAOMI  
Sales Reps: KURT HAAG  
Date: 08/01/2011

SPECIFIC COVERAGE		Option 1	Option 2	Option 3
Specific Deductible Amount		\$75,000	\$100,000	\$125,000
Specific Maximum		\$500,000	\$500,000	\$500,000
COMPOSITE	1,000	\$4.21	\$3.10	\$2.30
Total Lives/Annual Premium	1,000	\$50,520.00	\$37,200.00	\$27,600.00
Benefits Covered		MED	MED	MED
Specific Contract Basis		12/18	12/18	12/18

### CONDITIONS AND ASSUMPTIONS

- MINIMUM ANNUAL PREMIUM: 90% OF ANNUAL PREMIUM SHOWN ABOVE
  - HOSPITAL AVERAGE DAILY MAXIMUMS: \$12,000 (DAYS 1-3) & \$8,000 (DAY 4 AND EACH DAY THEREAFTER)
  - INCLUDES COVERAGE FOR HIV/AIDS & PREGNANCY
  - This offer directly reflects commission of 17 %. Other compensation or bonuses may be indirectly reflected in this quote. Contact your broker/agent if you have any questions relating to their compensation for this offer.
  - Assumes the plan will have PPO: current discounts Case Manager: N/A TPA: N/A
  - Assumes current plan design as stated in Plan Document.
  - This document may contain Protected Health Information (PHI) and should only be shared with individuals designated to view such information per HIPAA regulations.
  - Retirees are not covered for medical benefits.
  - The Subsequent Policy Period Offer is based on data submitted, plus other information furnished relevant to underwriting the risk, including all claims or possible claims, paid, pending or denied pending additional information, or which the employer or its authorized representative should otherwise be aware of. Any inaccuracy in the data submitted or failure to disclose any such information can change the terms, conditions, rates or factors of this offer and coverage.
  - In executing this form, the employer or its authorized representative, is acknowledging acceptance of the new rates, factors and terms. The employer or its authorized representative further acknowledges that all material facts, terms and conditions stated in the employers plan document and the Policy/Agreement remain unchanged and in full force and effect, unless noted above.
- Until we obtain the signed Subsequent Policy Period Offer, the rates and factors are subject to change as additional information is received. This Offer is valid for the stated effective date noted above provided the employer or its authorized representative elects one of the above options, signs the acknowledgment and we receive the completed Offer by 10/1/2011.*

Circle Coverages & Options Elected  
Dated:

Signature:  
Title: